For KCC Use:
Effective Date: 5-28-07
District # 2
SGA? [X] Yes [ ] No

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION
NOTICE OF INTENT TO DRILL OWWO

Must be approved by KCC five (5) days prior to commencing well

Form C-1
December 2002
Form must be Typed
Form must be Signed
All blanks must be Filled

Expected Spud Date: May 21st, 2007 (month / day / year)

OPERATOR: License# 32062
Name: ARDC Inc
Address: 108 West 34th
City/State/Zip: Hays, Kansas 67601
Contact Person: Greg Whitehair
Phone: 1-785-432-0789

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WICHITA, KS

CONTRACTOR: License# 33923
Name: Precision Drilling LLC

Well Drilled For:		Well Class:	Type Equipment:
[X] Oil	[ ] Enh Rec	[✓] Infield	[✓] Mud Rotary
[ ] Gas	[ ] Storage	[ ] Pool Ext.	[ ] Air Rotary
[✓] OWWO	[ ] Disposal	[ ] Wildcat	[ ] Cable
[ ] Seismic; ____ # of Holes		[ ] Other	
[ ] Other			

If OWWO: old well information as follows:
Operator: Sierra Petroleum
Well Name: Landgren B #3 API # 15-113-21083
Original Completion Date: Sept 23, 1983 Original Total Depth: 3600

Directional, Deviated or Horizontal wellbore? [ ] Yes [✓] No
If Yes, true vertical depth:
Bottom Hole Location:
KCC DKT #:

Spot: SE - NW - SW Sec. 6 Twp. 18 S. R. 3 [ ] East [✓] West
1580 feet from [ ] N / [✓] S Line of Section
4290 feet from [✓] E / [ ] W Line of Section
Is SECTION ✓ Regular ____ Irregular?

(Note: Locate well on the Section Plat on reverse side)

County: McPherson
Lease Name: Landgren Well #: B # 3
Field Name: Lindsborg
Is this a Prorated / Spaced Field? [ ] Yes [✓] No
Target Formation(s): Simpson Sand
Nearest Lease or unit boundary: 330+
Ground Surface Elevation: 1392 KB feet MSL
Water well within one-quarter mile: [✓] Yes [ ] No
Public water supply well within one mile: [ ] Yes [✓] No
Depth to bottom of fresh water: ~~99~~ 120
Depth to bottom of usable water: ~~99~~ 180
Surface Pipe by Alternate: [✓] 1 [ ] 2
Length of Surface Pipe Planned to be set: 8 5/8" has been sit @ 539' with 150 sacks
Length of Conductor Pipe required: 13 3/8" has been sit @ 211' with 200 sacks
Projected Total Depth: 3550
Formation at Total Depth: Simpson Sand
Water Source for Drilling Operations:
[ ] Well [✓] Farm Pond Other
DWR Permit #:
(Note: Apply for Permit with DWR [ ])
Will Cores be taken? [ ] Yes [✓] No
If Yes, proposed zone:

AFFIDAVIT

The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with K.S.A. 55 et. seq.

It is agreed that the following minimum requirements will be met:

1. Notify the appropriate district office ***prior*** to spudding of well;
2. A copy of the approved notice of intent to drill ***shall be*** posted on each drilling rig;
3. The minimum amount of surface pipe as specified below ***shall be set*** by circulating cement to the top; in all cases surface pipe ***shall be set*** through all unconsolidated materials plus a minimum of 20 feet into the underlying formation.
4. If the well is dry hole, an agreement between the operator and the district office on plug length and placement is necessary ***prior to plugging;***
5. The appropriate district office will be notified before well is either plugged or production casing is cemented in;
6. If an ALTERNATE II COMPLETION, production pipe shall be cemented from below any usable water to surface within ***120 days*** of spud date. Or pursuant to Appendix "B" - Eastern Kansas surface casing order #133,891-C, which applies to the KCC District 3 area, alternate II cementing must be completed within 30 days of the spud date or the well shall be plugged. ***In all cases, NOTIFY district office*** prior to any cementing.

I hereby certify that the statements made herein are true and to the best of my knowledge and belief.

Date: 5/21/07 Signature of Operator or Agent: ARDC for, By Mike Pearson Title: President

For KCC Use ONLY
API # 15 - 113-21083-00-01
Conductor pipe required 211 PREV. SET feet
Minimum surface pipe required 539 PREV. SET feet per Alt. (1) X
Approved by: WHM 5-23-07
This authorization expires: 11-23-07
(This authorization void if drilling not started within 6 months of approval date.)

Spud date: ____ Agent: ____

Remember to:
- File Drill Pit Application (form CDP-1) with Intent to Drill;
- File Completion Form ACO-1 within 120 days of spud date;
- File acreage attribution plat according to field proration orders;
- Notify appropriate district office 48 hours prior to workover or re-entry;
- Submit plugging report (CP-4) after plugging is completed;
- Obtain written approval before disposing or injecting salt water.
- If this permit has expired *(See: authorized expiration date)* please check the box below and return to the address below.

[ ] **Well Not Drilled - Permit Expired**
Signature of Operator or Agent:

6 18 31

Side Two

IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

Plat of acreage attributable to a well in a prorated or spaced field

If the intended well is in a prorated or spaced field, please fully complete this side of the form. If the intended well is in a prorated or spaced field complete the plat below showing that the well will be properly located in relationship to other wells producing from the common source of supply. Please show all the wells and within 1 mile of the boundaries of the proposed acreage attribution unit for gas wells and within 1/2 mile of the boundaries of the proposed acreage attribution unit for oil wells.

API No. 15 - 113-21,083 — 0001

Operator: ARDC Inc

Lease: Landgren

Well Number: B # 3

Field: Lindsborg

Number of Acres attributable to well: 40

QTR / QTR / QTR of acreage: SE - NW - SW

Location of Well: County: McPherson

1580 feet from ☐ N / ☑ S Line of Section

4290 feet from ☑ E / ☐ W Line of Section

Sec. 6 Twp. 18 S. R. 3 ☐ East ☑ West

Is Section: ☑ Regular or ☐ Irregular

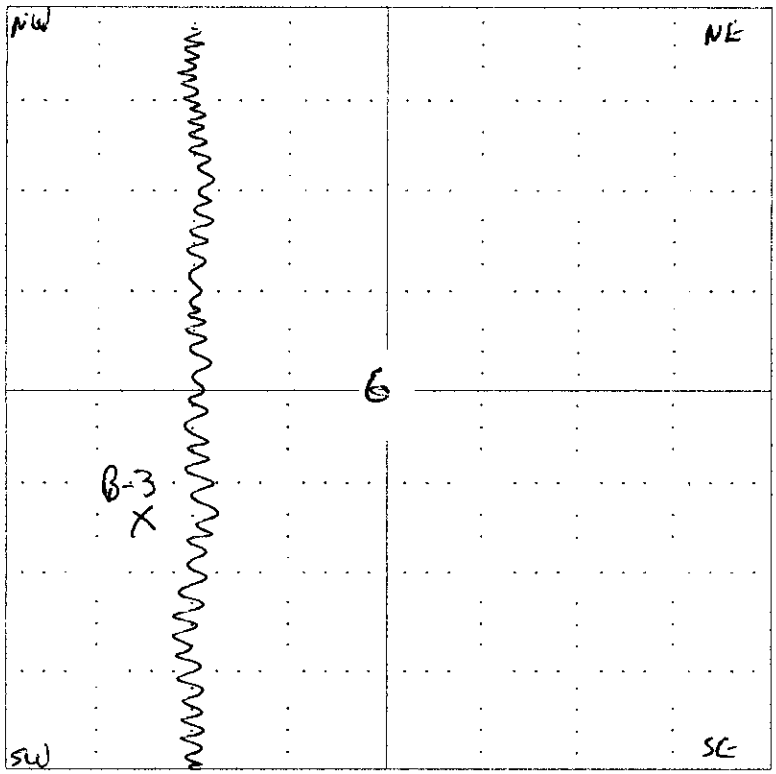
If Section is Irregular, locate well from nearest corner boundary.

Section corner used: ☐ NE ☐ NW ☐ SE ☐ SW

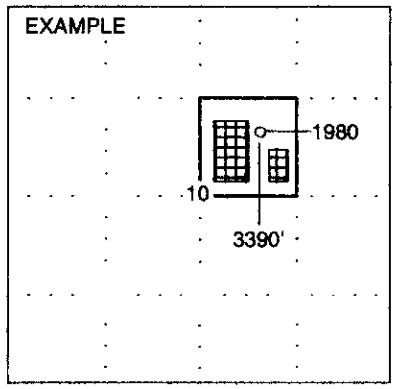
PLAT

(Show location of the well and shade attributable acreage for prorated or spaced wells.)

(Show footage to the nearest lease or unit boundary line.)



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SEWARD CO.

NOTE: In all cases locate the spot of the proposed drilling locaton.

In plotting the proposed location of the well, *you must show:*

1. The manner in which you are using the depicted plat by identifying section lines, i.e. 1 section, 1 section with 8 surrounding sections, 4 sections, etc.
2. The distance of the proposed drilling location from the section's south / north and east / west.
3. The distance to the nearest lease or unit boundary line.

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Form CDP-1
April 2004
Form must be Typed

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION
APPLICATION FOR SURFACE PIT

Submit in Duplicate

Operator Name: ARDC Inc.

License Number: 32062

Operator Address: 108 West 34th, Hays Kansas 67601

Contact Person: Greg Whitehair

Phone Number: (785) 432 - 0789

Lease Name & Well No.: Landgren B #3

Pit Location (QQQQ): ___ - SE - NW - SW

Sec. 6 Twp. 18 R. 3 ☐ East ☑ West

1580 Feet from ☐ North / ☑ South Line of Section

4290 Feet from ☑ East / ☐ West Line of Section

McPherson County

Type of Pit:
☐ Emergency Pit ☐ Burn Pit
☐ Settling Pit ☑ Drilling Pit
☑ Workover Pit ☐ Haul-Off Pit
(If WP Supply API No. or Year Drilled)
1983 API # 15-113-21083

Pit is:
☑ Proposed ☐ Existing
If Existing, date constructed: ___
Pit capacity: 80 (bbls)

Is the pit located in a Sensitive Ground Water Area? ☑ Yes ☐ No

Chloride concentration: ___ mg/l
(For Emergency Pits and Settling Pits only)

Is the bottom below ground level? ☐ Yes ☑ No

Artificial Liner? ☐ Yes ☑ No

How is the pit lined if a plastic liner is not used?

Pit dimensions (all but working pits): 8 Length (feet) 8 Width (feet) X ~~N/A: Steel Pits~~

Depth from ground level to deepest point: 4 (feet) per operator

If the pit is lined give a brief description of the liner material, thickness and installation procedure.

Describe procedures for periodic maintenance and determining liner integrity, including any special monitoring.

Distance to nearest water well within one-mile of pit: 2900 1255 feet

Depth of water well 92 85 feet

Depth to shallowest fresh water 12 55 feet.
Source of information:
___ measured ___ well owner (1) electric log ✓ KDWR

Emergency, Settling and Burn Pits ONLY:

Producing Formation: ___

Number of producing wells on lease: ___

Barrels of fluid produced daily: ___

Does the slope from the tank battery allow all spilled fluids to flow into the pit? ☐ Yes ☐ No

Drilling, Workover and Haul-Off Pits ONLY:

Type of material utilized in drilling/workover: Fresh water

Number of working pits to be utilized: 1

Abandonment procedure: Empty and haul water to approved SWD disposal

Drill pits must be closed within 365 days of spud date.

I hereby certify that the above statements are true and correct to the best of my knowledge and belief.

5/21/07
Date

Mr Whitehair ARDC Inc.
Signature of Applicant or Agent

15-113-21083-0001

KCC OFFICE USE ONLY

RF 12HR

Date Received: 5/23/07 Permit Number: ___ Permit Date: 5/25/07 Lease Inspection: ☒ Yes ☐ No

...E OF KANSAS
...E CORPORATION COMMISSION
...0 Colorado Derby Building
...ichita, Kansas 67202

WELL PLUGGING RECORD
K.A.R.-82-3-117

TYPE OR PRINT
NOTICE: Fill out completely and return to Cons. Div. office within 30 days.

API NUMBER 15-113-21,083 00 00

LEASE NAME LANDGREN "B"

WELL NUMBER 3

SE NW SW Ft. from S Section Line

_____ Ft. from E Section Line

SEC. 6 TWP. 18S RGE. 3W (E)or(W)

COUNTY McPherson

Date Well Completed 9/23/83

Plugging Commenced 7/19/94

Plugging Completed 7/21/94

LEASE OPERATOR Graham-Michaelis Corp.

ADDRESS P. O. Box 247, Wichita, KS 67201

PHONE#(316) 264-8394 OPERATORS LICENSE NO. 5134

Character of Well Oil

(Oil, Gas, D&A, SWD, Input, Water Supply Well)

The plugging proposal was approved on June 21, 1994 (date)

by David Williams (KCC District Agent's Name).

Is ACO-1 filed? Yes If not, is well log attached? _____

Producing Formation Simpson Depth to Top 3527 Bottom 3600 T.D. 3600

Show depth and thickness of all water, oil and gas formations.

OIL, GAS OR WATER RECORDS | CASING RECORD

Formation	Content	From	To	Size	Put In	Pulled out
				13-3/8"	211'	
				8-5/8"	539'	
				5-1/2"	3599'	
				DV Tool @	859'	

Describe in detail the manner in which the well was plugged, indicating where the mud fluid was placed and the method or methods used in introducing it into the hole. If cement or other plugs were used, state the character of same and depth placed, from __ feet to __ feet each set.
Allied Cementing mixed 50 sakcs (60/40 pozmix) cement plus 300 sacks cotton seed hulls and pumped in. Then mixed and pumped 30 sakcs of gel and 30 sacks 60/40 pozmix cement. Next morning cement was down 250'. Called McPherson Ready Mix to fill hole with cement from 250' up to surface. State representative, Mr. Ralph Tittel, approved plugging.
(If additional description is necessary, use BACK of this form.)

Name of Plugging Contractor Graham-Michaelis Corp. License No. 5134

Address P. O. Box 247, Wichita, KS 67201

NAME OF PARTY RESPONSIBLE FOR PLUGGING FEES: Graham-Michaelis Corp.

STATE OF Kansas COUNTY OF Sedgwick, ss.

Jack L. Yinger (Employee of Operator) or (Operator) of above-described well, being first duly sworn on oath, says: That I have knowledge of the facts, statements, and matters herein contained and the log of the above-described well as filed that the same are true and correct, so help me God.

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(Signature) Jack L Yinger

(Address) P. O. Box 247, Wichita, KS 67201

SUBSCRIBED AND SWORN TO before me this 27th day of July, 19 94

Aldine M. Johnson
Notary Public

My Commission Expires: _____

Aldine M. Johnson
NOTARY PUBLIC
State of Kansas
My Appt. Exp.

15-113-21083-0001

Form CP-4
Revised 05-88

KANSAS
CORPORATION COMMISSION

Kathleen Sebelius, Governor
Brian J. Moline, Chair
Michael C. Moffet, Commissioner
Robert E. Krehbiel, Commissioner

May 23, 2007

Mr. Greg Whitehair
ARDC, Inc.
108 West 34th
Hays, KS 67601

RE: Drilling Pit Application
Landgren Lease Well No B #3
SW/4 Sec. 06-18S-03W
McPherson County, Kansas

Dear Mr. Whitehair:

District staff has inspected the above referenced location and has determined that the reserve pit shall be constructed **without slots**, the bottom shall be flat and reasonably level, and the free fluids must be removed. The fluids are to be removed from the reserve pit within 72 hours of drilling completion.

If production casing is set all completion fluids shall be removed from the working pits daily. NO completion fluids or non-exempt wastes shall be placed in the reserve pit.

The fluids should be taken to an authorized disposal well. Please call the District Office at (316) 630-4000 when the fluids have been removed. Please file form CDP-5 (August 2004), Exploration and Production Waste Transfer, within 30 days of fluid removal. Conservation division forms are available through our office and on the KCC web site: www.kcc.state.ks.us/conservation/forms.

A copy of this letter should be posted in the doghouse along with the approved Intent to Drill.

If you have any questions or concerns please feel free to contact the undersigned at the above address.

Sincerely,

Kathy Haynes

Kathy Haynes
Environmental Protection and Remediation Department

cc: File

15-113-21083-0001